

Medicare Rx Update: April 21, 2006

Over 30 Million People Enrolled in Medicare Drug Benefit...

Yesterday, HHS announced that over 30 million people with Medicare now have prescription drug coverage through the new drug benefit. This brings the total of those who have signed up individually for Medicare prescription drug coverage since enrollment began on November 15, 2005 to over 8 million. Click here to view the latest enrollment data:

http://www.cms.hhs.gov/PrescriptionDrugCovGenIn/02_EnrollmentData.asp

... and we continue to simplify and streamline Claims Processing

As we mentioned in the April 19 Medicare Rx Update

(<http://www.cms.hhs.gov/Pharmacy/downloads/update041906.pdf>), industry partners have collaborated to simplify and standardize the electronic claims processing messages. In addition to this great work, CMS has been working with other partners to further simplify claims processing.

- Standardized Exception and Prior Authorization request form - This form was developed collaboratively by an AMA workgroup representing several professional associations, America's Health Insurance Plans (AHIP), Part D plan sponsors, and beneficiary advocates. Use of this model form is a "best practice" and CMS expects widespread adoption of it by the Part D plans and physicians. The form is available on our provider website: <http://www.cms.hhs.gov/center/provider.asp>
- Plan Exceptions and Appeals websites - CMS asked plans to create an exceptions and appeals website that gets the user to that website with the fewest number of clicks possible. We have begun to monitor plan compliance with this best practice. Plans must post the Standardized Form on their appeals and exceptions websites.
- Include Parts B and D information on the prescription - To avoid unnecessary prior authorizations for Part D drugs that could be covered by part B, CMS has stated that Plans may rely on physician information included with the prescription, such as diagnosis information or location of administration, to the same extent they rely on similar information acquired through documentation from physicians on prior authorization forms. We indicated that the information would be intended to facilitate, but not replace, a Part D plan's existing processes for making a determination of Part D coverage. Please click here for our clarification of plan due diligence in prior authorization of Part B versus Part D coverage determinations:
http://www.cms.hhs.gov/PrescriptionDrugCovContra/downloads/DueDiligenceQA_03.24.06.pdf

CMS Releases the 2007 Transition Guidance...

The Centers for Medicare & Medicaid Services has released the final CY 2007 Transition Guidance for Part D sponsors:

<http://www.cms.hhs.gov/PrescriptionDrugCovContra/Downloads/CY07TransitionGuidance.pdf>

The new guidance establishes a minimum set of standards for Part D plan sponsor transition policies. These minimum standards specify the components of a transition process beyond simply the assurance of a temporary supply of non-formulary drugs or a transition period constituting a particular length of time. We have also posted a Cover Letter and a Summary of Changes for your convenience:

<http://www.cms.hhs.gov/PrescriptionDrugCovContra/Downloads/CY07transitionguidancecoverletter.pdf>

<http://www.cms.hhs.gov/PrescriptionDrugCovContra/Downloads/CY07TransitionGuidanceChangesfromDraft.pdf>

CMS Announces Limited-Income Subsidy (LIS) Enrollment Opportunity

Medicare will facilitate enrollment in a drug plan for people who qualify for the LIS if they do not choose a plan on their own by May 15, 2006. Beneficiaries who qualify after May 15, 2006 for the limited-income subsidy (LIS) will have a special enrollment period (SEP) to enroll in the Medicare prescription drug benefit if they have not done so already. This SEP will allow beneficiaries who are newly qualified for LIS a one-time opportunity to enroll when they qualify.

Reminder...Open Door Forum to discuss the Pharmacy Quality Alliance (Monday AM)

On April 24, 2006 at 10 AM EST, CMS will host a special open door forum that will focus on the PQA. Dr. McClellan will provide opening remarks and will be followed by stakeholders who will add their valuable personal experiences to the discussion. An extensive Q&A period will follow. Please dial 1-800-837-1935, conference ID# 7210374, at least 15 minutes in advance of the call to participate. Those who did RSVP to attend in person will receive a follow-up e-mail.

Sign up for the **PHARMACY_MMA-L** list to receive the Medicare Rx Update at:

<http://new.cms.hhs.gov/apps/maillinglists/>